

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF BARKLEY LAKE)
WATER DISTRICT, (1) FOR A)
CERTIFICATE THAT PUBLIC)
CONVENIENCE AND NECESSITY)
REQUIRES THE CONSTRUCTION OF NEW)
PLANT FACILITIES; AND (2) SEEKING) CASE NO. 8937
APPROVAL OF THE ISSUANCE OF)
CERTAIN SECURITIES; AND (3) FOR)
AN ORDER AUTHORIZING ADJUSTMENT)
OF WATER SERVICE RATES AND)
CHARGES)

O R D E R

IT IS ORDERED that Barkley Lake Water District ("Barkley Lake") shall file an original and seven copies of the following information with the Commission with a copy to all parties of record by April 15, 1984. Barkley Lake shall also furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each area of information requested. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

On February 2, 1984, the Commission issued an Information Order directing Barkley Lake to file a copy of certain invoices pertaining to operating expenses during the test period, and other related material. Barkley Lake filed the requested information on February 17, 1984.

1. The Commission has examined the invoices filed by Barkley Lake and it is of the opinion that certain items classified as an operating expense for the test period should be considered capital additions. The Commission has outlined the invoices below. If Barkley Lake disagrees with the Commission's analysis, it should file a reply stating so and further supply information per item to support classification as an expense.

Account No. 623 - Pumping Expenses - Supplies and Expenses:

a. No. 33 Post Hydrants	\$1,107.21
b. 5/8 X 3/4 Meters	1,094.08
c. CTS Quick Taps	181.85
d. Backhoe and related work	899.60

Account No. 625 - Pumping Expenses - Maintenance of Pumping Plant:

a. Materials for a building	\$6,363.90
b. 5/8 X 3/4 Meters	2,165.96
c. 2 10-inch Coupling Adapters	473.17
d. 48 Yoke Adapters	216.47
e. 30 Box tops marked "Water"	402.00
f. 500 feet 3/4-inch service line Tubing	112.50
g. 1,000 feet 3/4-inch Tubing (for service lines?)	200.00
h. 1 6-inch CLC Check Valve	192.45
i. Kentucky Stone Company	619.22
j. Wallace & Tierman-self Renewing Contracts	1,410.00
k. 3/4-inch No. 7 Watts Backflow Preventers	1,442.81

Account No. 641 - Transmission and Distribution Expense -
Operation Supplies and Expenses:

a. 1 B100 Tapping Machine	\$ 500.00
b. Boring one short bore	400.00
c. 1-2 inch Homelite Pump	203.79
d. 1-8 inch No. 101 Rockwell propeller meter	1,084.41
e. Various truck maintenance expense items including the overhaul of a 1978 Luv truck properly chargeable to account No. 933 - Transportation Expenses	1,410.08

2. Please provide further detail regarding the services of Commercial Systems, Inc., the expense of which is included in Account 903, Customer Accounts Expenses - Supplies and Maintenance.

3. In Account No. 923, Outside Services Employed; labor of Gano E. Ladd of \$1,757.75 was expensed. Why weren't these labor charges assigned to a specific operating expense or capital account? What was the labor performed?

4. Included in Account No. 924, Property Insurance, please provide the items covered under the Commercial Package Policy of \$2,566.

5. Please provide the following information related to Account No. 150, Materials and Supplies:

a. What is the district's policy with regard to recording purchases of materials and supplies?

B. What is the determining amount as to whether an item should be expensed or capitalized (\$100 or less to expense)?

c. Does the district have a work order system whereby material cost is assigned to each job?

6. Please provide a list of all district-owned vehicles.

Done at Frankfort, Kentucky, this 30th day of March, 1984.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary